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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF)
TUCSON ELECTRIC POWER COMPANY FOR)
APPROVAL OF ITS 2016 RENEWABLE)
ENERGY STANDARD IMPLEMENTATION)
PLAN.)

DOCKET NO. E-01933A-15-0239

**MOTION TO BIFURCATE AND
TO CONSOLIDATE**

Tucson Electric Power Company ("TEP" or "Company"), through undersigned counsel,
hereby moves for a procedural order that:

1. Bifurcates the TEP-owned Rooftop Solar ("TORS") program in its entirety from the 2016
TEP REST Implementation Plan ("2016 Plan") and consolidates the program (including the TORS
tariff rate) into the pending TEP rate case (Docket No. E-01933A-15-0322) ("Rate Case");

2. Bifurcates the Residential Community Solar ("RCS") program from the 2016 Plan and
consolidates issues regarding the RCS (including the RCS tariff rate) into the Rate Case, except for
the issue regarding whether community solar programs could be used to meet the Distributed
Generation ("DG") requirements in the REST Rules;

3. Requires Commission Staff to prepare a Staff Report and proposed order for Commission
consideration on the portions of the 2016 Plan that do not involve the TORS and RCS programs,
including the 2016 budget, REST surcharge and surcharge caps.

Arizona Corporation Commission

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1 As a result of the requested procedural order, the evidentiary hearing in this docket would
2 address only whether community solar programs could satisfy the DG requirements of the REST
3 Rules.¹

4 The Company has discussed the above bifurcation/consolidation proposals with the other
5 parties. Commission Staff and RUCO support these procedural proposals.² EFCA does not support
6 the procedural proposals.

7 **A. There are no issues regarding the REST Plan outside the TORS and RCS programs.**

8 Although the January 6, 2016 procedural order setting the hearing in this docket stated that it
9 was not certain whether there were issues other than those related to the TORS and RCS programs,
10 the prefiled testimony has confirmed that there are no issues in dispute outside of the two programs
11 thereby negating the need for an evidentiary hearing on the remaining 2016 Plan which has already
12 been delayed by three months.

13 Moreover, the procedural order suggested that there may be confusion as to the REST
14 surcharge if the entire 2016 Plan was not considered in a single proceeding. However, the 2016
15 REST budget and related surcharge do not include any costs of the TORS and RCS programs and are
16 therefore not impacted by any rulings on those programs.

17 Further, although the procedural order raised a concern about the Commission's ability to
18 approve a holistic plan, the prefiled testimony does not identify any connections or intertwining of
19 the TORS and RCS programs with the remainder of the 2016 Plan that would justify further delay of
20 its approval.

21 Finally, the procedural order indicated a desire not to unnecessarily complicate the pending
22 TEP rate case – thus setting a separate hearing. However, given the prefiled testimony, it appears
23 that some of the issues related to the TORS and RCS programs, particularly the tariff rates, may be
24

25 ¹ The Commission would still take public comment on the entire 2016 Plan on April 5, 2016. Such public
26 comment would be added to the record in the TEP rate case by virtue of the consolidation.

27 ² Although APS sought intervention in this docket, intervention has not yet been granted. However, APS
supports the procedural proposals.

1 considered in the pending TEP rate case. Bifurcating portions of the 2016 Plan not related to the
2 TORS and RCS programs and tariffs removes much of the 2016 Plan from the rate case.

3 Staff has indicated that it is prepared to issue a proposed order on the 2016 Plan that addresses
4 all “typical” REST issues – other than the TORS and RCS issues.

5 **B. Determination of Policy Issues regarding the RCS Program could streamline the**
6 **Rate Case.**

7 Having the Commission consider the policy issue whether community solar programs could
8 satisfy the DG requirements of the REST Rules prior to the TEP Rate Case may affect whether the
9 proposed RCS program and tariff rate need to be considered in the Rate Case. This approach
10 provides another way to potentially avoid unnecessarily complicating the TEP rate case.

11 **C. The TORS and Tariff Rate Issues can be deferred to the TEP Rate Case.**

12 In prefiled testimony, Staff suggested that the RCS program should be deferred to the pending
13 TEP rate case and the expansion of TORS program be denied in favor of the RCS program.
14 However, Staff and RUCO now support bifurcation of those programs from consideration of the
15 remainder of the 2016 REST plan. TEP can support deferral of the TORS and RCS programs,
16 including the tariff rate issues, to the TEP rate case, provided that the bifurcation proposed in this
17 motion is adopted.

18 Wherefore, TEP requests a procedural order that:

19 1. Bifurcates the TORS program in its entirety from the 2016 Plan and consolidates any
20 issues and prefiled testimony related to the TORS program, including the TORS tariff rate, into the
21 pending TEP Rate Case;

22 2. Bifurcates the RCS program from the 2016 Plan, except for the issue of whether
23 community solar programs could satisfy the distributed generation requirements of the REST Rules,
24 and consolidates any issues and prefiled testimony regarding the RCS program into the pending TEP
25 Rate Case;

26 3. Confirms that the evidentiary hearing in this docket will address whether community solar
27 programs could satisfy the distributed generation requirements of the REST Rules; and

1 4. Requires Commission Staff to prepare a Staff Report and proposed order for Commission
2 consideration on the portions of the 2016 Plan that do not involve the TORS and RCS programs,
3 including the 2016 budget, REST surcharge and surcharge caps.

4 TEP also respectfully suggests that a telephonic procedural conference in advance of the
5 April 5, 2016 hearing date to discuss this motion may be appropriate.

6
7 RESPECTFULLY SUBMITTED this 31st day of March 2016.
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1 Original and 13 copies of the foregoing
2 filed this day of March, 2016, with:

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7 Copies of the foregoing hand-delivered/mailed
8 this 21st day of March, 2016, to the following:

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